22ND DISTRICT, NEW YORK

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OVERSIGHT AND INVESTIGATION

Congress of the United States House of Representatives

Washington, DC

July 24, 2017

Mr. Walter C. "Butch" Waidelich, Jr. Acting Deputy Administrator Federal Highway Transportation 1200 New Jersey Avenue SE Washington, D.C. 20590

Dear Mr. Waidelich,

I write to share my serious concern regarding New York State's commercialization of rest areas on interstate highway I-81 in Binghamton, New York. This practice is in clear violation of established federal law and threatens the livelihoods of small businesses within my district that are located just off the interstate.

In 2011, New York Governor Andrew Cuomo announced an initiative to increase the sale of items produced within the state. Among the many proposals, the initiative included a provision related to the construction of rest areas along interstate highways to showcase New York-made products and sell food and beverages over-the-counter. To date, two such rest areas have been constructed, one of which is located in my district.

While I support efforts to increase the sale and distribution of New York-made products, Governor Cuomo's decision to construct these rest areas along the interstate violates federal law and harms local businesses in communities that are already struggling. As you know, Congress enacted a ban on rest area commercialization to avoid state-approved monopolies on the interstate, which harm off-interstate small businesses and deprive local governments of tax revenue. Unfortunately, this is exactly what is happening in New York. Cities and towns in my district depend on revenue from property owners and employers, but with increased traffic at state-run interstate rest areas, consumers bypass local communities and much-needed revenue gets redirected to Albany bureaucrats as opposed to already cash-strapped municipalities.

The Federal Highway Administration (FHWA) has rightly expressed strong concern with New York's decision to construct these rest areas. In particular, the rest areas violate 23 USC 111 (c), which only permits interstate rest areas constructed after 1960 to sell food and drink in vending machines. New York has no legal basis for placing a commercialized rest area that sells food and drink outside of vending machines along I-81. By promoting a state-run monopoly that gives private entities no chance of competing, the state's commercialization of interstate rest areas is a lose-lose for local communities and small businesses.

As a result, I respectfully urge FHWA to proceed with efforts to work with New York to rollback its commercialization of the rest area to ensure compliance with existing federal law.

Sincerely,

Claudia Tenney

MEMBER OF CONGRESS